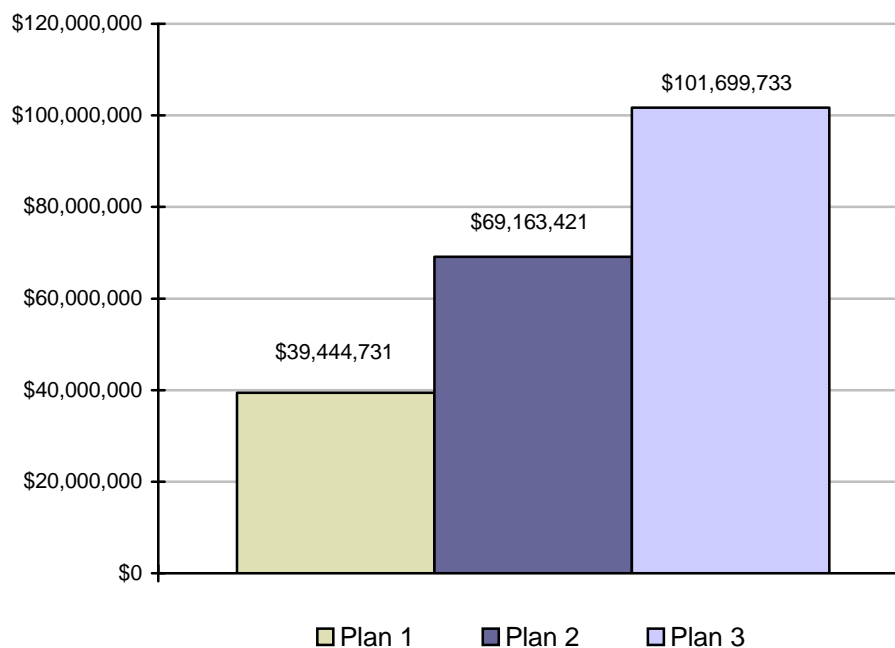


## Total Benefits

An "indemnity claim" is a workers' compensation or occupational disease claim where wage loss benefits, in addition to medical benefits, are being paid or are likely to be paid in the future. Totals represent indemnity benefits paid to the injured worker and medical benefits paid to hospitals, doctors and other health care providers as reported to the DLI. Benefit totals have been updated since the publication of previous annual reports due to the receipt of amended expenditure reports.

**Exhibit 3.1**  
**Total Benefits Paid - FY05**  
**By Plan Type<sup>1</sup>**



**Exhibit 3.2**  
**Total Benefits Paid**  
**By Plan Type<sup>1</sup> and Fiscal Year of Payment**

Plan Type <sup>1</sup>	FY01	FY02	FY03	FY04	FY05
Plan 1	29,141,324	31,865,950	34,866,131	39,687,598	39,444,731
Plan 2	79,341,672	69,983,989	73,889,121	67,663,530	69,163,421
Plan 3	70,893,570	75,735,063	91,798,520	103,416,233	101,699,733
<b>Total<sup>2</sup></b>	<b>\$179,376,566</b>	<b>\$177,585,002<sup>3</sup></b>	<b>\$200,553,772</b>	<b>\$210,767,361</b>	<b>\$210,307,885</b>

**Notes:**

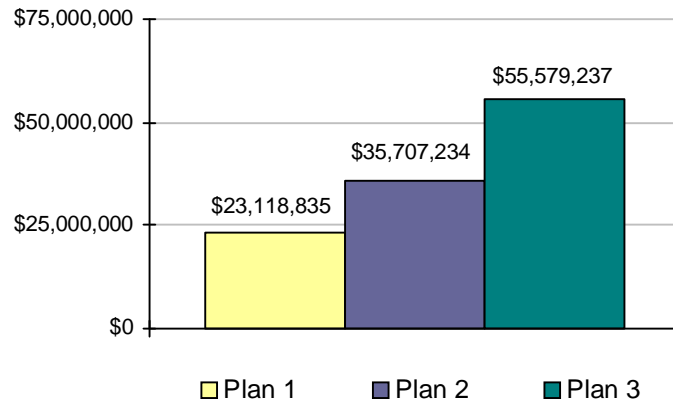
<sup>1</sup>Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance and Plan 3 – Montana State Fund

<sup>2</sup>Total benefits represent indemnity and medical, from DLI Quarterly Expenditure Reports as of 04-03-2006.

<sup>3</sup>FY02 Total Benefits Paid was corrected in this year's report.



**Exhibit 3.3**  
**Medical Payments - FY05**  
**By Plan Type<sup>1</sup>**



**Exhibit 3.4**  
**Medical Payments**  
**By Plan Type<sup>1</sup> and Fiscal Year of Payment**

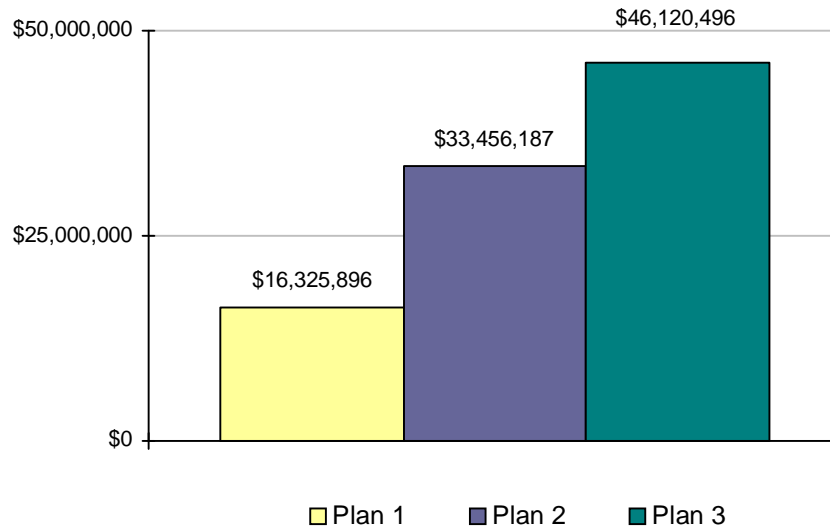
Plan Type <sup>1</sup>	FY01	FY02	FY03	FY04	FY05
Plan 1	15,791,261	17,626,880	19,960,057	22,770,056	23,118,835
Plan 2	41,626,961	36,012,896	37,705,229	34,524,486	35,707,234
Plan 3	35,656,851	40,571,820	51,404,831	58,018,771	55,579,237
<b>Total<sup>2</sup></b>	<b>\$93,075,073</b>	<b>\$94,211,596</b>	<b>\$109,070,117</b>	<b>\$115,313,313</b>	<b>\$114,405,306</b>

**Notes:**

<sup>1</sup>Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance and Plan 3 – Montana State Fund

<sup>2</sup>Total benefits represent medical payments, from DLI Quarterly Expenditure Reports as of 04-03-2006.

**Exhibit 3.5**  
**Indemnity Payments - FY05**  
**By Plan Type<sup>1</sup>**



**Exhibit 3.6**  
**Indemnity Payments**  
**By Plan Type<sup>1</sup> and Fiscal Year of Payment**

Plan Type <sup>1</sup>	FY01	FY02	FY03	FY04	FY05
Plan 1	13,350,062	14,239,070	14,906,074	16,917,542	16,325,896
Plan 2	37,714,712	33,971,093	36,183,892	33,139,044	33,456,187
Plan 3	35,236,719	35,163,243	40,393,689	45,397,462	46,120,496
<b>Total<sup>2</sup></b>	<b>\$86,301,493</b>	<b>\$83,373,406</b>	<b>\$91,483,655</b>	<b>\$95,454,048</b>	<b>\$95,902,579</b>

**Notes:**

<sup>1</sup>Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance and Plan 3 – Montana State Fund

<sup>2</sup>Total benefits represent indemnity payments, from DLI Quarterly Expenditure Reports as of 04-03-2006.

## Benefit Report Data

The department currently requires insurance companies to submit Subsequent Reports of Injury (SROIs) at six month intervals throughout the life of an indemnity claim. The SROI report provides updates as to the status of an indemnity claim, including information on the medical and wage loss benefits paid. In an effort to better evaluate the long-term costs of claims, ERD contracted Insurance Services Office, Inc. (ISO) to process the SROI data and present it in a form that would be more conducive to analysis. Accordingly, ISO developed the following tables, which detail the cumulative costs of claims over the past six fiscal years<sup>1</sup> (FY), beginning with injuries sustained in FY00.

- ♦ Exhibits 3.7 and 3.8 report indemnity benefits and medical benefits.
- ♦ Exhibits 3.9 through 3.12 break indemnity benefits down into the four primary categories (excluding lump sum payments): temporary total, temporary partial, permanent partial, and permanent total.
- ♦ Exhibits 3.13 through 3.15 divide medical benefits into three groups (excluding lump sum payments): payments to physicians, hospital costs, and other medical provider costs.
- ♦ Exhibit 3.16 provides a combined total of the data contained in tables 3.13 through 3.15.
- ♦ Exhibits 3.17 and 3.18 report lump sum payments of indemnity benefits and medical benefits.
- ♦ Exhibit 3.19 reports vocational rehabilitation benefits paid.

Each table consists of six rows of data; each row holds information pertaining to injuries sustained during the fiscal year shown in the "Injury Year" column. The columns report cumulative totals of claims, as well as the average and median benefits paid through the column's given year, grouped by the fiscal year of the benefit type's Paid Through Date (PTD). The "First Year" column provides the number of claims receiving the given benefit type within the same fiscal year as the injury; it also gives the average and median<sup>2</sup> benefits paid on those claims. The "Second Year" through "Sixth Year" columns report cumulative claim totals, average benefits, and median benefits as more benefits are paid and/or more claimants begin receiving benefits. Consequently, the right-most populated column of each row contains the most current (as of FY05 year-end) figures pertaining to the accumulated claimant count, average claim cost, and median claim cost for injuries sustained in the year assigned to that row.

Example: A SROI is submitted on an injury that occurred in FY 2000; the given benefit type is reportedly paid through 4/9/2003. Because 2003 is the fourth year since the fiscal year of injury (counting the injury year as the first), this claim will be reported in the 'Fourth Year' column of the 2000 row.

### Notes:

<sup>1</sup> Fiscal Year (FY) is defined as July 1 through June 30; FY05 ended on June 30, 2005

<sup>2</sup> See definition of "median" in the "Definitions" section of the Appendices

**Exhibit 3.7**

Total Wage Replacement: TTD, TPD, PTD, PPD, including Lump Sums							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	3,373					
	Avg Cost/Case	\$2,467					
	Median	\$908					
2004	# of Cases	3,458	4,640				
	Avg Cost/Case	\$2,341	\$5,658				
	Median	\$906	\$1,773				
2003	# of Cases	3,450	4,653	4,882			
	Avg Cost/Case	\$2,350	\$6,206	\$8,849			
	Median	\$883	\$2,049	\$2,500			
2002	# of Cases	3,254	4,406	4,650	4,716		
	Avg Cost/Case	\$2,212	\$6,122	\$8,732	\$10,168		
	Median	\$898	\$2,157	\$2,662	\$2,824		
2001	# of Cases	3,263	4,363	4,561	4,645	4,677	
	Avg Cost/Case	\$2,131	\$5,464	\$8,089	\$9,904	\$10,951	
	Median	\$843	\$2,000	\$2,525	\$2,764	\$2,847	
2000	# of Cases	3,194	4,194	4,411	4,458	4,478	4,497
	Avg Cost/Case	\$1,883	\$4,625	\$6,787	\$8,240	\$9,180	\$9,841
	Median	\$787	\$1,659	\$2,066	\$2,231	\$2,231	\$2,246

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.8**

Total Medical Costs, including Lump Sums							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	2,762					
	Avg Cost/Case	\$4,231					
	Median	\$1,608					
2004	# of Cases	2,034	4,498				
	Avg Cost/Case	\$3,682	\$7,824				
	Median	\$1,268	\$4,130				
2003	# of Cases	2,212	3,634	4,595			
	Avg Cost/Case	\$4,089	\$7,517	\$10,119			
	Median	\$1,724	\$4,032	\$5,138			
2002	# of Cases	2,185	3,757	4,065	4,415		
	Avg Cost/Case	\$3,791	\$7,968	\$9,900	\$11,205		
	Median	\$1,467	\$3,932	\$4,651	\$4,952		
2001	# of Cases	2,057	3,657	3,872	3,980	4,213	
	Avg Cost/Case	\$3,680	\$7,063	\$8,788	\$10,187	\$11,421	
	Median	\$1,441	\$3,688	\$4,363	\$4,599	\$4,909	
2000	# of Cases	2,043	3,492	3,923	3,993	4,019	4,113
	Avg Cost/Case	\$2,921	\$5,460	\$7,606	\$8,562	\$9,462	\$10,274
	Median	\$1,169	\$2,660	\$3,693	\$3,921	\$4,008	\$4,111

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.9**

Wage Replacement: Temporary Total Disability							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	3,142					
	Avg Cost/Case	\$1,989					
	Median	\$796					
2004	# of Cases	3,193	4,095				
	Avg Cost/Case	\$1,822	\$3,681				
	Median	\$773	\$1,350				
2003	# of Cases	3,179	4,095	4,238			
	Avg Cost/Case	\$2,007	\$4,124	\$5,311			
	Median	\$811	\$1,440	\$1,636			
2002	# of Cases	3,026	3,877	4,013	4,046		
	Avg Cost/Case	\$1,854	\$4,168	\$5,406	\$5,909		
	Median	\$802	\$1,541	\$1,724	\$1,799		
2001	# of Cases	3,043	3,849	3,966	4,028	4,054	
	Avg Cost/Case	\$1,785	\$3,861	\$5,150	\$5,998	\$6,377	
	Median	\$778	\$1,442	\$1,663	\$1,734	\$1,756	
2000	# of Cases	2,952	3,746	3,874	3,907	3,922	3,933
	Avg Cost/Case	\$1,593	\$3,200	\$4,451	\$5,158	\$5,525	\$5,683
	Median	\$713	\$1,299	\$1,493	\$1,533	\$1,541	\$1,566

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.10**

Wage Replacement: Temporary Partial Disability							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	474					
	Avg Cost/Case	\$866					
	Median	\$469					
2004	# of Cases	544	791				
	Avg Cost/Case	\$957	\$1,506				
	Median	\$487	\$574				
2003	# of Cases	491	754	791			
	Avg Cost/Case	\$860	\$1,580	\$2,073			
	Median	\$431	\$673	\$718			
2002	# of Cases	453	695	746	755		
	Avg Cost/Case	\$977	\$1,603	\$1,850	\$1,917		
	Median	\$473	\$660	\$739	\$733		
2001	# of Cases	430	662	697	715	719	
	Avg Cost/Case	\$1,002	\$1,626	\$1,835	\$1,988	\$2,002	
	Median	\$517	\$701	\$754	\$768	\$768	
2000	# of Cases	412	616	660	667	672	674
	Avg Cost/Case	\$872	\$1,361	\$1,581	\$1,699	\$1,744	\$1,752
	Median	\$414	\$572	\$620	\$625	\$630	\$629

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.11**

Wage Replacement: Permanent Partial Disability							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	259					
	Avg Cost/Case	\$4,826					
	Median	\$2,123					
2004	# of Cases	266	1,101				
	Avg Cost/Case	\$4,186	\$6,131				
	Median	\$1,825	\$3,409				
2003	# of Cases	265	1,195	1,605			
	Avg Cost/Case	\$2,659	\$5,576	\$7,324			
	Median	\$1,064	\$3,303	\$4,122			
2002	# of Cases	201	1,073	1,536	1,689		
	Avg Cost/Case	\$3,465	\$5,454	\$6,862	\$7,894		
	Median	\$1,589	\$3,178	\$3,972	\$3,972		
2001	# of Cases	219	1,065	1,472	1,625	1,681	
	Avg Cost/Case	\$3,435	\$4,783	\$6,270	\$7,523	\$8,086	
	Median	\$1,536	\$3,066	\$3,841	\$3,841	\$4,087	
2000	# of Cases	220	899	1,259	1,384	1,441	1,466
	Avg Cost/Case	\$2,411	\$4,799	\$5,776	\$6,651	\$7,306	\$7,717
	Median	\$1,488	\$2,727	\$3,000	\$3,704	\$3,719	\$3,719

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.12**

Wage Replacement: Permanent Total Disability							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	0					
	Avg Cost/Case	\$0					
	Median	\$0					
2004	# of Cases	0	3				
	Avg Cost/Case	\$0	\$25,989				
	Median	\$0	\$20,000				
2003	# of Cases	0	9	17			
	Avg Cost/Case	\$0	\$33,758	\$41,842			
	Median	\$0	\$27,434	\$27,434			
2002	# of Cases	0	5	16	32		
	Avg Cost/Case	\$0	\$11,680	\$34,869	\$35,253		
	Median	\$0	\$6,949	\$17,307	\$19,584		
2001	# of Cases	1	3	11	25	40	
	Avg Cost/Case	\$12,000	\$11,912	\$13,186	\$19,249	\$35,501	
	Median	\$12,000	\$12,000	\$7,910	\$12,000	\$26,273	
2000	# of Cases	0	3	11	23	33	45
	Avg Cost/Case	\$0	\$20,388	\$28,371	\$32,105	\$32,740	\$50,773
	Median	\$0	\$17,600	\$26,662	\$25,464	\$20,094	\$40,249

SOURCE: Data provided by State of Montana WCAP database; figures recalculated by ERD based on corrections to reporting errors.

**Exhibit 3.13**

Medical Costs: Payments to Physicians Paid to Date							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases Avg Cost/Case Median	2,054 \$1,683 \$737					
2004	# of Cases Avg Cost/Case Median	1,538 \$1,560 \$640	4,142 \$2,744 \$1,476				
2003	# of Cases Avg Cost/Case Median	1,791 \$1,725 \$791	3,435 \$2,836 \$1,462	4,349 \$3,534 \$1,866			
2002	# of Cases Avg Cost/Case Median	1,744 \$1,482 \$663	3,547 \$2,727 \$1,442	3,856 \$3,349 \$1,744	4,164 \$3,654 \$1,839		
2001	# of Cases Avg Cost/Case Median	1,674 \$1,374 \$612	3,440 \$2,564 \$1,388	3,661 \$3,118 \$1,707	3,767 \$3,552 \$1,810	3,972 \$3,852 \$1,905	
2000	# of Cases Avg Cost/Case Median	1,703 \$1,174 \$492	3,218 \$2,013 \$950	3,688 \$2,715 \$1,408	3,759 \$2,986 \$1,508	3,785 \$3,220 \$1,540	3,881 \$3,381 \$1,569

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.14**

Medical Costs: Payments to Hospitals							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases Avg Cost/Case Median	1,672 \$3,413 \$1,459					
2004	# of Cases Avg Cost/Case Median	1,124 \$3,100 \$1,123	3,394 \$4,561 \$2,101				
2003	# of Cases Avg Cost/Case Median	1,302 \$3,181 \$1,336	2,708 \$4,310 \$2,043	3,544 \$5,427 \$2,377			
2002	# of Cases Avg Cost/Case Median	1,296 \$2,956 \$1,090	2,862 \$4,733 \$1,892	3,150 \$5,454 \$2,090	3,416 \$5,779 \$2,191		
2001	# of Cases Avg Cost/Case Median	1,233 \$2,823 \$1,097	2,762 \$4,046 \$1,779	2,969 \$4,835 \$2,012	3,065 \$5,336 \$2,087	3,246 \$5,865 \$2,128	
2000	# of Cases Avg Cost/Case Median	1,209 \$2,305 \$903	2,503 \$3,204 \$1,415	2,948 \$4,239 \$1,876	3,021 \$4,663 \$1,953	3,045 \$4,980 \$2,000	3,125 \$5,230 \$2,024

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)



**Exhibit 3.15**

Medical Costs: Payments to other Medical Providers							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	2,507					
	Avg Cost/Case	\$1,006					
	Median	\$384					
2004	# of Cases	1,761	4,077				
	Avg Cost/Case	\$911	\$2,047				
	Median	\$340	\$801				
2003	# of Cases	1,902	3,187	4,115			
	Avg Cost/Case	\$953	\$1,847	\$2,886			
	Median	\$437	\$778	\$1,007			
2002	# of Cases	1,861	3,285	3,592	3,941		
	Avg Cost/Case	\$1,004	\$2,036	\$2,800	\$3,660		
	Median	\$400	\$799	\$947	\$1,009		
2001	# of Cases	1,741	3,213	3,424	3,537	3,766	
	Avg Cost/Case	\$1,027	\$1,789	\$2,385	\$3,026	\$3,604	
	Median	\$424	\$809	\$938	\$1,010	\$1,102	
2000	# of Cases	1,638	2,958	3,383	3,452	3,479	3,567
	Avg Cost/Case	\$711	\$1,534	\$2,157	\$2,556	\$3,027	\$3,544
	Median	\$298	\$512	\$750	\$795	\$816	\$857

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.16**

Medical Costs: Paid to Physicians, Hospitals and Other Medical Providers							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	2,761					
	Avg Cost/Case	\$4,232					
	Median	\$1,609					
2004	# of Cases	2,034	4,498				
	Avg Cost/Case	\$3,682	\$7,824				
	Median	\$1,268	\$4,130				
2003	# of Cases	2,210	3,634	4,595			
	Avg Cost/Case	\$4,092	\$7,512	\$10,115			
	Median	\$1,726	\$4,032	\$5,138			
2002	# of Cases	2,185	3,757	4,065	4,415		
	Avg Cost/Case	\$3,791	\$7,960	\$9,877	\$11,184		
	Median	\$1,467	\$3,932	\$4,641	\$4,944		
2001	# of Cases	2,056	3,654	3,867	3,974	4,210	
	Avg Cost/Case	\$3,681	\$7,045	\$8,776	\$10,176	\$11,380	
	Median	\$1,442	\$3,688	\$4,367	\$4,614	\$4,917	
2000	# of Cases	2,040	3,489	3,920	3,989	4,016	4,110
	Avg Cost/Case	\$2,917	\$5,456	\$7,603	\$8,556	\$9,433	\$10,245
	Median	\$1,169	\$2,657	\$3,679	\$3,917	\$4,000	\$4,106

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.17**

Wage Replacement: Lump Sums							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	56					
	Avg Cost/Case	\$6,997					
	Median	\$3,125					
2004	# of Cases	66	225				
	Avg Cost/Case	\$9,587	\$13,030				
	Median	\$5,000	\$7,250				
2003	# of Cases	83	303	416			
	Avg Cost/Case	\$7,045	\$11,553	\$13,995			
	Median	\$3,268	\$6,500	\$8,000			
2002	# of Cases	63	327	442	489		
	Avg Cost/Case	\$6,831	\$10,527	\$12,691	\$13,788		
	Median	\$3,000	\$5,000	\$7,500	\$8,000		
2001	# of Cases	55	259	395	435	463	
	Avg Cost/Case	\$5,663	\$9,921	\$13,051	\$14,783	\$15,796	
	Median	\$2,963	\$5,300	\$8,300	\$9,116	\$9,948	
2000	# of Cases	63	212	308	359	383	395
	Avg Cost/Case	\$6,479	\$9,496	\$11,253	\$12,518	\$14,232	\$14,571
	Median	\$3,500	\$6,000	\$7,500	\$7,500	\$8,500	\$8,500

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.18**

Medical Lump Sums: Paid to Claimant as Settlement of Medical Liability							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	1					
	Avg Cost/Case	\$855					
	Median	\$855					
2004	# of Cases	0	0				
	Avg Cost/Case	\$0	\$0				
	Median	\$0	\$0				
2003	# of Cases	3	11	12			
	Avg Cost/Case	\$321	\$1,734	\$1,673			
	Median	\$220	\$653	\$827			
2002	# of Cases	0	12	32	32		
	Avg Cost/Case	\$0	\$2,321	\$2,830	\$2,830		
	Median	\$0	\$379	\$688	\$688		
2001	# of Cases	1	8	14	24	26	
	Avg Cost/Case	\$500	\$10,906	\$6,377	\$4,360	\$7,932	
	Median	\$500	\$4,375	\$1,000	\$1,000	\$1,050	
2000	# of Cases	3	5	7	9	14	14
	Avg Cost/Case	\$5,830	\$5,934	\$5,024	\$6,346	\$10,602	\$10,602
	Median	\$3,352	\$4,500	\$4,500	\$4,500	\$3,926	\$3,926

SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

**Exhibit 3.19**

Wage Replacement: Vocational Rehabilitation Benefits							
Injury Year	Category	First Year	(Cumulative Totals)				
			Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
2005	# of Cases	11					
	Avg Cost/Case	\$1,649					
	Median	\$1,780					
2004	# of Cases	6	87				
	Avg Cost/Case	\$1,571	\$2,666				
	Median	\$1,247	\$2,347				
2003	# of Cases	9	116	207			
	Avg Cost/Case	\$1,599	\$2,822	\$3,682			
	Median	\$1,467	\$1,923	\$2,240			
2002	# of Cases	9	98	180	225		
	Avg Cost/Case	\$1,840	\$3,173	\$4,336	\$6,023		
	Median	\$2,327	\$2,020	\$2,539	\$2,735		
2001	# of Cases	10	87	179	225	241	
	Avg Cost/Case	\$1,295	\$2,318	\$3,556	\$5,622	\$6,540	
	Median	\$1,103	\$1,800	\$1,928	\$2,192	\$2,367	
2000	# of Cases	10	83	158	196	214	220
	Avg Cost/Case	\$1,564	\$2,178	\$3,806	\$5,171	\$5,642	\$6,226
	Median	\$1,407	\$1,796	\$2,187	\$2,425	\$2,488	\$2,561

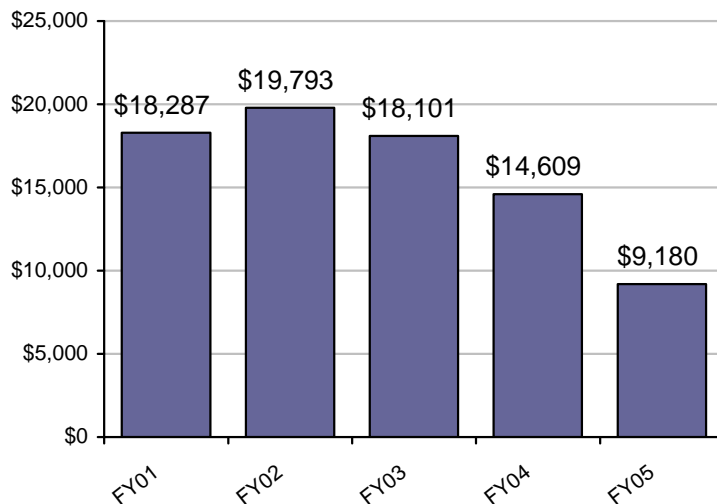
SOURCE: Data provided by State of Montana WCAP database; figures calculated by Insurance Services Office, Inc. (ISO)

## Settlement Dollars

Settlements are lump sum payments of the claimant's workers' compensation indemnity and/or medical benefits. Benefits are usually paid in periodic payments designed to sustain an injured worker over an extended period of time. Settlements can occur when the claimant and the insurer agree that benefits will be converted to a lump sum payment. If the claimant has more than one claim, a settlement may settle more than one of those claims. Settlements are subject to approval by ERD.

This graph displays average settlement amounts, by fiscal year of injury, for claims settled between July 01, 2000 and June 30, 2005. This information includes both injury and occupational disease settlements.

**Exhibit 3.20**  
**Average Settlement<sup>1</sup>**  
**By Fiscal Year of Injury**



**Exhibit 3.21**  
**Settlement Amounts for Claims Settled<sup>1</sup>**  
**By Plan Type<sup>2</sup> and Fiscal Year of Injury**

Plan Type <sup>2</sup>	FY01		FY02		FY03		FY04		FY05	
	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count
Plan 1	2,739,553	165	2,684,100	160	2,258,157	169	1,176,695	113	178,329	37
Plan 2	7,001,318	415	5,979,466	345	5,124,594	306	2,505,947	177	449,552	46
Plan 3	6,633,081	313	7,607,243	318	6,909,679	316	3,348,543	192	583,910	49
UEF	84,393	7	78,596	3	97,661	4	25,000	1	0	0
<b>Totals<sup>3</sup></b>	<b>\$16,458,345</b>	<b>900</b>	<b>\$16,349,405</b>	<b>826</b>	<b>\$14,390,091</b>	<b>795</b>	<b>\$7,056,185</b>	<b>483</b>	<b>\$1,211,791</b>	<b>132</b>

**Notes:**

<sup>1</sup>These charts do not include settlements ordered by the Workers' Compensation Court.

<sup>2</sup>Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance, Plan 3 – Montana State Fund, and UEF – Uninsured Employers Fund.

<sup>3</sup>Previous fiscal year information has been updated.

## Attorney Fees

The Employment Relations Division (ERD) requires claimants' attorneys to submit a Legal Fee report at regular intervals throughout the life of a claim. The Legal Fee report provides the amount of attorney costs and fees received by the attorney.

The data in exhibits 3.22 and 3.23 present the attorney fees and associated costs by plan type and fiscal year of injury.

**Exhibit 3.22**  
**Total Attorney Legal Fees**  
**By Plan Type<sup>1</sup> and Fiscal Year of Injury**

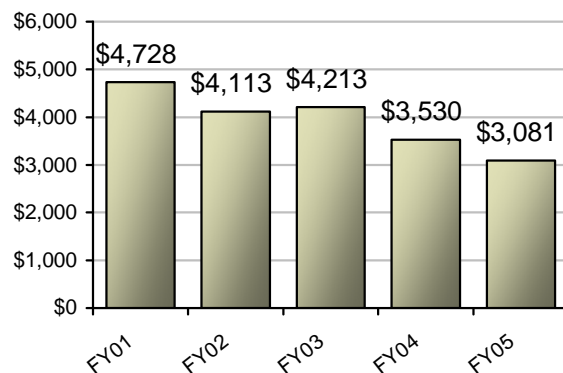
Plan Type <sup>1</sup>	FY01		FY02		FY03		FY04		FY05	
	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count
Plan 1	313,298	79	266,887	72	195,091	56	131,608	33	66,216	20
Plan 2	1,146,312	277	953,053	245	671,768	172	404,110	116	161,456	57
Plan 3	1,221,216	211	822,733	179	881,455	187	524,121	152	277,628	87
UEF	0	0	1,250	1	0	0	6,094	1	0	0
<b>Totals</b>	<b>\$2,680,827</b>	<b>567</b>	<b>\$2,043,922</b>	<b>497</b>	<b>\$1,748,314</b>	<b>415</b>	<b>\$1,065,933</b>	<b>302</b>	<b>\$505,300</b>	<b>164</b>

**Notes:**

<sup>1</sup>Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance, Plan 3 – Montana State Fund, and UEF – Uninsured Employers Fund.



**Exhibit 3.23**  
**Average Attorney Legal Fees**  
**By Fiscal Year of Injury**



ERD also collects legal fees reported on workers' compensation approved settlements. The table below represents fees claimed in the fiscal year of the approved settlement regardless of the fiscal year in which the injury or disease occurred. This data shows that approximately 52% of all settlements in FY05 involve attorneys and about 18% of the settlement amount is paid to attorneys for fees and costs.

**Exhibit 3.24**  
**Attorney Fees from Claimant Settlements<sup>1</sup>**  
**By Fiscal Year of Settlement**

	FY01	FY02	FY03	FY04	FY05
Number of Settlement Petitions Processed	1,339	1,227	1,317	1,414	1,485
Claims Settled with Attorney Representation	715	682	645	787	779
Percent Claimants Represented by Attorney	53%	55%	49%	56%	52%
Total Settlement Amount with Attorney Involvement	\$16,734,211	\$17,551,999	\$17,675,697	\$22,960,912	\$22,409,732
Total Attorney Fees	\$3,028,678	\$3,183,270	\$3,166,382	\$4,053,961	\$3,945,962
Average Fee/Settlement Percentage	18%	18%	18%	18%	18%

**Notes:**

<sup>1</sup>Similar to reports issued in previous years, there are a small percentage of records for which no attorney fees were listed due to entry errors and/or reporting limitations.